

DD/A Registry  
File *Personnel*

ENTRANCE-ON-DUTY PACKAGE

General:

Presidential appointees need two Appointment Affidavits, and both are to be signed personally by the appointee and the official who administers the Oath of Office. One copy is kept in the appointee's Official Personnel Folder and the other is forwarded to the Department of State. If the Oath is administered at the White House, the White House will usually take care of the Appointment Affidavits, along with securing the official Commission. If, as in the case of Mr. Bush, the Oath is administered at the CIA, it is our responsibility to ensure that the Appointment Affidavits are signed as required.

TAB A -- Pay Matters:

STATINTL [ ] of the Office of Finance advised us that the Admiral's base military salary and all allowances are totaled together in order to determine what the difference would be between the DCI salary and the military salary. The difference, if any, is paid by separate check, usually monthly (but could be semi-monthly). Military base pay and allowances would continue to be received from the United States Navy.

TAB B:

Information and application card for UBLIC.

TAB C:

Information concerning Air Flight Trip Insurance and Military Air Flight Trip Insurance for which the Admiral is eligible.

TAB D:

Information concerning our Employee Activity Association with application form.

TAB E:

Application card and other information concerning the Credit Union.

In addition to the above, there is a physical fitness room located in the basement of the building, which has shower facilities, indoor running track and a variety of exercise equipment including exercycles, weight lifting machines, slant boards, etc.

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UNITED BENEFIT LIFE INSURANCE COMPANY (UBLIC)

- A. Group term life insurance sponsored by GEHA.
- B. \$36,000 maximum coverage with like amount of Accidental Death and Dismemberment Benefits.
- C. Monthly premium for \$36,000 - \$23.40.  
Premiums are payroll deducted after initial cash payment of \$46.80 for first two months' premiums. Check should be payable to GEHA.
- D. \$3,000 life insurance for wife and unmarried children ages 5 to 21 at no added cost.

# ENROLLMENT CARD

GEHA-V

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NAME OF EMPLOYEE <u>Stansfield</u> <u>Turner</u>			ACCOUNT NUMBER 000400090003-0
FIRST	MIDDLE INITIAL	LAST	CERTIFICATE NUMBER
DATE OF BIRTH <u>12/1/23</u>	MALE <input checked="" type="checkbox"/> FEMALE <input type="checkbox"/>	MARRIED <input checked="" type="checkbox"/> SINGLE <input type="checkbox"/>	EFFECTIVE DATE
AMOUNT OF INSURANCE APPLIED FOR:			DATE OF EMPLOYMENT
<input type="checkbox"/> \$5,000 <input type="checkbox"/> \$10,000 <input type="checkbox"/> \$15,000 <input type="checkbox"/> \$20,000 <input type="checkbox"/> \$25,000 <input type="checkbox"/> \$30,000 <input type="checkbox"/> \$36,000			COMPONENT _____
			ROOM NUMBER _____
			BUILDING _____
			EXTENSION _____
			TOTAL PREMIUM _____

## DESIGNATION OF BENEFICIARY

PRIMARY \_\_\_\_\_ RELATIONSHIP \_\_\_\_\_

SECONDARY \_\_\_\_\_ RELATIONSHIP \_\_\_\_\_

I hereby apply for the Group Insurance Plan as underwritten by the United Benefit Life Insurance Company and authorize the required contribution to be deducted from my earnings toward the payment of the premiums.

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DATE SIGNED \_\_\_\_\_, 19\_\_\_\_ SIGNATURE OF EMPLOYEE \_\_\_\_\_

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Travel Assistance (Central Processing Branch)

Makes airline reservations, picks up tickets,  
obtains passports and visas, arranges shipment  
of household effects.

Room 1-D-70, Headquarters building.

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AIR FLIGHT TRIP INSURANCE

- A. Provides coverage for the insured in event of death or loss of limb or sight while a passenger on a scheduled commercial airline. Coverage is available for one-way or round-trip travel in amounts from \$20,000 to \$150,000.
- B. Rates are comparable to those charged at airport terminals.

MILITARY AIR FLIGHT TRIP INSURANCE

- A. Provides coverage as a passenger only similar to Air Flight Trip but is extended to cover trips in any aircraft (other than a single-engine jet) operated by the U. S. Department of Defense including MAC and military aircraft used primarily for transporting passengers. Coverage is available for one-way or round-trip travel in amounts from \$12,500 to \$50,000.
- B. Rates are about twice the Air Flight Trip rates.

---

Insurances are available in Insurance Cashier's office, Room 1J27, Headquarters Building

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EMPLOYEE ACTIVITY ASSOCIATION (EAA)

Coordinates various hobby and self-improvement groups, employee sports leagues, and provides ticket service to area entertainments, sports events, and dinner theaters. Also operates an employee store stocking a limited selection of such items as watches, radios, stereos, televisions, sporting goods, and camera film.

Ticket sales: North Cafeteria Concourse

Store: Room GF-40, Headquarters Building

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Physical Fitness Room

Located in basement of building. Has shower facilities, indoor running track, and a variety of exercise equipment including exercycles, weight lifting machines, slant boards, etc.

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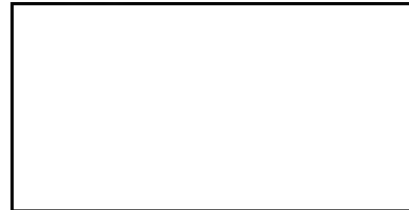
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7 February 1977

FROM : Northwest Federal Credit Union  
SUBJECT : Information

1. Credit Union organized in December 1947.
2. Board of Directors elected by the membership  
Current Officers:

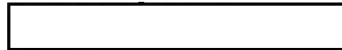
President  
V. President  
2nd V. President  
Treasurer  
Secretary  
Director  
Director



Thomas B. Yale

STATINTL

3. Current Assets: Close of Business 31 January 1977



STATINTL

4. Dividend Payable for 4th Quarter of 1976:

6.5% plus  $\frac{1}{2}$ % bonus and an interest refund of  
5.0% plus 1% bonus.

5. Delinquency rate is less than 1% of outstanding  
loans.

6. Membership is limited to the following common bond:  
"Civilian employees of the Central Intelligence  
Agency; military personnel of the Department of  
Defense who are assigned to and under the control  
of the Central Intelligence Agency; widows and  
widower's of such persons who were joint owners  
at time of member's death; employees of this  
credit union; persons retired as pensioners or  
annuitants from the Central Intelligence Agency;  
and organizations of such persons."

7. Loans :

New Autos:	100% of purchase price @9% - 48 months
Used Autos:	NADA Used Car Loan Value @9% - maximum 36 months
Share Secured:	@ 5 year maturity - 7.5% @10 year maturity - 8.0%
Mortgage Loan: 1st Trust	80% of appraisal value @ 9% - 10 years
Mortgage Loan: 2nd Trust	66 2/3% of equity @ 10% - 10 years
Unsecured Loan:	Signature - 12% Open- End (PALS) - 12%
Educational Loan:	OELP - Graduate and Undergraduate college-level study @7.5%
Stock Loan:	Listed on NYSE and AMEX - Regulation "G" applies as to amount that can be loaned (Currently 50% of market) @ 9% - 10 year maturity.
Other Loans:	Mobile Homes, Trucks, Trailers, Campers.

8. Check Cashing Facilities at all offices.

9. Branch Offices:

Main Office Room 1-J-33 Headquarters Bldg.

Branch Offices:

Ames Bldg. : Room 404 Ames Building

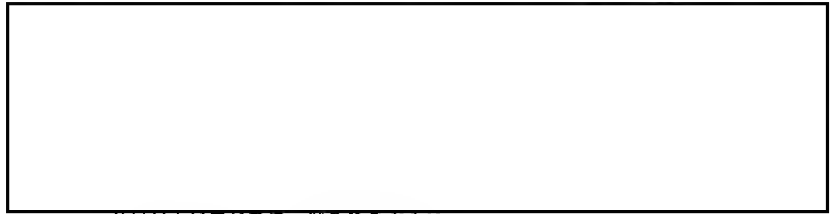
STATINTL

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10. Insurance -

(a) Shares Insured by Administrator, National  
Credit Union Administration for \$40,000.

(b) Loans insured up to an aggregate amount of STATINTL  
\$10,000 up to age 65.



Assistant Manager

MSM:gdb

FOR OFFICIAL USE ONLY	ACCOUNT NO.	NAME (PLEASE PRINT) Last First Middle			MEMBER CODE
	DATE OPENED	TURNER, Stansfield			
		EMPLOYEE NO.	SOC. SEC. NO.		
	NEW <input type="checkbox"/> DUP <input type="checkbox"/> CHG <input type="checkbox"/> REOP <input type="checkbox"/>	PERMANENT ADDRESS:			
	APPROVED	DATE OF PERSONNEL ACTION:			HOME PHONE:
	MEMBERSHIP OFFICER DATE	JOB TITLE	DIVISION OR STATION		OFFICE EXT.
		DATE OF BIRTH	MO.	DAY	YR.
		IF NAME CHANGE - PRINT FORMER NAME			
I hereby make application for membership in the Northwest Federal Credit Union and agree to conform to the by-laws thereof and to subscribe for at least one share. (\$5.00 to purchase one share)					
Signature _____					
NOTE: Please designate on reverse joint owner(s) (if desired)					



### JOINT SHARE ACCOUNT AGREEMENT

The ..... Credit Union is hereby authorized to recognize any of the signatures subscribed hereto in the payment of funds or the transaction of any business for this account. The joint owners of this account, hereby agree with each other and with said Credit Union that all sums now paid in on shares, or heretofore or hereafter paid in on shares by any or all of said joint owners to their credit as such joint owners with all accumulations thereon, are and shall be owned by them jointly, with right of survivorship and be subject to the withdrawal or receipt of any of them, and payment to any of them or the survivor or survivors shall be valid and discharge said Credit Union from any liability for such payment.

Any or all of said joint owners may pledge all or any part of the shares in this account as collateral security to a loan or loans.

The right or authority of the credit union under this agreement shall not be changed or terminated by said owners, or any of them except by written notice to said Credit Union which shall not affect transactions theretofore made.

SIGNATURE OF JOINT OWNER(S)			
(1)	(2)		
Soc. Sec. No.	(N-2)	Soc. Sec. No.	(N-2)
SIGNATURE of Member/Owner			Date
			(N-1)

(Joint ownership does not bestow membership)

CU-15

THIS AGREEMENT NOT VALID WITHOUT SIGNATURE OF MEMBER-OWNER

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# Everybody's money

WINTER 76-77



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**TAX RETURNS...Who can help?**

# Everybody's money

## A MONEY MANAGEMENT MAGAZINE

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## Dear Reader:

Had a checkup lately?

We don't mean a physical exam; we're talking about an annual fiscal checkup to diagnose your financial health. The end of the year is the time to balance your assets with liabilities and see if you're meeting your financial expectations.

As always, this issue of Everybody's Money helps you practice preventive medicine so you can enjoy a healthy financial life. For example, we have an article on comparison shopping for auto insurance to get the lowest possible rates. Another feature explains how you can buy a house with little or no down payment by agreeing to a land contract. Also, you may not need a tranquilizer at tax time if you read our article on who can help with your returns. In addition, we describe ways you can supplement your social security pension by being foresighted.

Speaking of year's end, Everybody's Money closes an era with this issue. Dick Schneck, who's drawn those delightful cartoons since our magazine first appeared, is leaving us. We thank him for making EM the lively, colorful publication it is. Taking over from Dick will be artist Paul Tofte.

Along with the magazine's new design for '77, we're initiating another regular feature, and we need your help. For our back cover we want you to finish the phrase "Happiness is." Send us your entry, and if we print your slogan, you'll win \$10. You may write on any consumer or credit union subject you wish, but keep the entry to 25 words or less. Include with the entry your name and address and the name of your credit union.

Here are a couple of ideas to trigger your thoughts: "Happiness is belonging to a credit union that has the lowest loan rates in town." Or how about our New Year's wish to you: "Happiness is having a healthy physical and fiscal 1977."

# Supplementing Your Social Security



RETIREMENT is something few people plan for, and yet this lack of planning often forces retired couples to live on poverty-level budgets.

There's social security, of course, but you'll probably need a lot more than it pays. The average retired couple today receives a \$372 check each month from social security, or \$4,500 a year. Benefits amount to about 30 percent of what the typical worker is earning when he retires.

Generally speaking, you'll need almost twice that much for retirement living; and if you want to maintain the standard of living

you've had, 70 or 80 percent of your preretirement income is a realistic goal.

Those with lower-than-average incomes will need a higher proportion of that income than other couples (although social security benefits will be more of former income than with middle income retirees). A couple with a preretirement income of \$8,000 or \$9,000 no doubt spends 100 percent of that amount for ordinary living expenses and may not be able to cut back any during retirement. But a couple earning \$30,000 can live comfortably

bly on a smaller percentage of former salary.

Social security together with a good company pension plan is often sufficient income, but what if you need more? And what about all those workers not eligible for private pensions?

To help you plan for retirement, here are some suggestions for supplemental income. Whether you're 30, 40, or 50, you'll be wise to start building your nest egg now.

#### **Company Pensions**

If you work for a large company, it's likely that your pension is slated for 50 to 60 percent of your final preretirement income when supplemented with social security. Even though this may provide for a comfortable lifestyle, remember that inflation will erode the value of the payout you receive.

You can find out the status of your fund by asking your pension administrator for an annual benefit statement. This will show the benefits you have accrued and the current balance of your account. You also might be able to find out what your expected benefits will be at 65 if you stay with your current plan.

#### **IRAs**

Individual Retirement Accounts, or IRAs, enable the approximately 35 million workers not covered by another pension plan to save for retirement; full-time, part-time and self-employed persons are all eligible.

With an IRA, each year you can defer up to \$1,500 or 15 percent of your income, whichever is less, to a special retirement fund. Not only does the money draw interest, but you can deduct the amount of your deposits every year from your gross income. None of the money in the account is taxed, including interest, until you begin withdrawing for retirement. By that time, your in-

come will probably be a lot less than it is now, making the tax on your nest egg minimal.

IRAs are held in a trust or custodial account at a qualified credit union, bank or other financial institution, mutual fund or insurance company, and are invested by the custodian. The interest rate your account earns depends on how the money is invested, so shop around for the best deal. Although setting up an IRA is simple, you'll want the help of a financial institution to understand the details.

#### **Keogh Plans**

Keoghs have basically the same tax advantages as IRAs, but the savings limits are higher. With a Keogh, you can save up to \$7,500 a year or 15 percent of your earned income, whichever is less. The amount you set aside is tax free until you withdraw from the account at retirement. Like IRAs, Keoghs are "frozen" until age 59½ unless you die or become disabled. Withdrawals made for any other reason are subject to a tax penalty.

Keogh plans are used primarily by those not covered by another pension, but any income from self-employment makes you eligible for a Keogh as long as the income is not subject to withholding taxes. The money you put aside is invested in much the same way as in an IRA.

#### **Savings Accounts**

Government securities, such as E bonds and H bonds, are recommended for retirement income, too, and also offer tax exemptions. You don't pay federal income taxes on the amount earned until you cash the bonds, say, at age 65. The bonds are subject to estate, inheritance and gift taxes, but not to state and local income taxes. E bonds are available through payroll deduction, if your employer agrees, or through a bond-a-month club where you bank. H

bonds are issued by a Federal Reserve Bank or the Treasury Department. Current interest rates on E and H bonds are 6 percent a year if held to maturity; bonds are offered in various denominations.

Regular savings accounts are another way to build retirement income. Although you won't enjoy the tax shelter offered by other savings plans, you can save painlessly and productively just by putting part of every paycheck into savings. And if your credit union has payroll deduction, that's an advantage; you can have any amount deducted from your paycheck and automatically deposited in your share account. Since you never see the money, you probably won't miss it.

### **Annuities**

An annuity guarantees you an income during retirement. Whereas life insurance protects you and your family against dying too soon, an annuity protects you against living too long by making sure you don't outlive your income.

There are two basic types of annuities: immediate and deferred. An immediate annuity is purchased when you retire; you pay a single premium, let's say the \$10,000 you saved or the lump sum you receive from your pension. The company then gives you a monthly income for the rest of your life. A deferred annuity is paid with yearly premiums. Although it accumulates less than an immediate annuity, a deferred plan may be less expensive to set up.

As a cost-of-living hedge, there are variable annuities. The money is often invested in common stock, with monthly payouts following the ups—and downs—of the stock market.

Costs for annuities vary greatly, so look for the one that gives you the

generally sold and managed by life insurance companies.

### **Life Insurance**

Once you're retired, consider dropping some or all of your life insurance, assuming, of course, you no longer have children to protect.

A straight life, or cash-value policy, gives you several options at retirement. You can pay off the premium, but have the protection continue at a reduced level. The policy can then be used to pay inheritance and estate taxes after you die. You can also pay off your insurance policy and continue the full protection for a limited number of years.

Or you can drop the policy and live on the cash value amount, using it to earn more money for you (high-grade bonds), or to set up a retirement plan, such as an annuity. Some life insurance policies allow you to automatically convert to an annuity when you retire.

And if you have a group life policy where you work, don't forget it. The coverage may continue without your having to pay additional premiums, perhaps giving your wife all the protection she needs.

### **Veterans Benefits**

Veterans 65 or older who served in WWI, WWII, and Korea—even for one day—may be eligible for a VA pension. If your income is less than \$3,300 a year and you don't have dependents or if you have an income of less than \$4,500 and have dependents, check your pension eligibility at the local VA office. Payments range from \$5 to \$305 a month according to income, number of dependents and need for regular pay; the amount also depends on how much you receive from social security. The pension is offered under the disability program since VA considers veterans 65 or older as permanently and totally disabled for pension purposes.

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# COMPLAINT LEDGER

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As Calvin Coolidge once said, "Nothing in the world takes the place of persistence." And persistence, in large doses, says Jim Whitcomb of Oklahoma City, Oklahoma, is what it takes to successfully pursue a consumer complaint.

Whitcomb's problem with a \$19 engine cooling fan for his car began in September, 1972, and wasn't resolved until March, 1975. The complaint would probably never have been solved, he says, if he hadn't persisted.

The fan Whitcomb bought, according to the Flex-a-lite Corporation, was supposed to improve engine cooling efficiency and reduce engine noise. After several weeks of use, Whitcomb says his engine temperature changed only slightly, and the noise—his major complaint—increased greatly.

Whitcomb complained to the company in October, 1972, and was told he needed a larger fan (he didn't order one) to solve the cooling problem. No suggestions were offered on how to handle the excessive engine noise.

In another letter he reiterated his complaint and requested a refund. That letter was never answered. Several months later he again wrote asking for a refund. The company responded this time, saying a refund would be coordinated through the distributor where the fan was purchased. After a three month wait, Whitcomb still heard nothing and received no refund.

Undaunted, Whitcomb wrote the company again and received a reply that baffled him; the person who replied wasn't aware of the complaint or why he was requesting a refund. Angered, Whitcomb contacted his attorney who told him he had a case against the company if he wished to file suit.

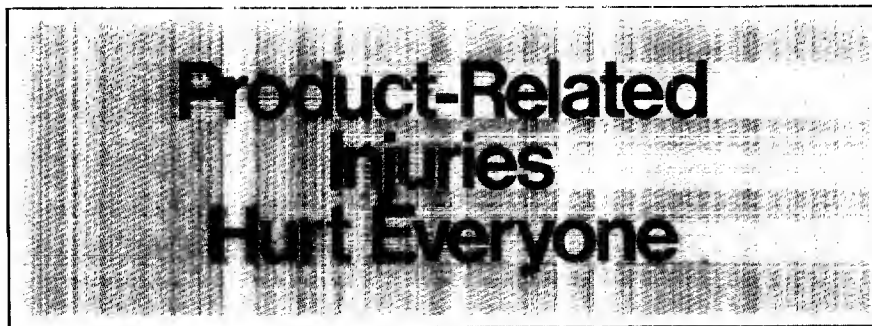
He relayed this information to the company in January, 1975. By early February the company responded, saying it would refund the \$19 if he returned the fan. Whitcomb did so immediately by certified mail. But it took yet another letter to receive the check, which arrived at the end of March, 1975.

Whitcomb says it cost about \$4 for postage so he netted only \$15 on the complaint. But, he says, "I'd do it again if I feel a company has wronged me."

**CONSUMER COMPLAINT LEDGER** reports what happens when consumers challenge what they think are unfair practices in the marketplace. The true case studies illustrate where to complain, what techniques to use, and how complaints are handled by industry, government agencies and consumer groups. Cases are carefully selected so that our ledger includes a variety

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"I'll Be Suing You" is the refrain that an estimated one million Americans are chorusing these days. Whether they're hurt at home or on the job, or even as a result of their own carelessness, they are jamming court dockets with lawsuits.

And they win more cases than they lose. For example, a woman in Dayton, Ohio, was pouring coffee when the pot cracked and burned her husband's leg. Although the pot was more than a year old, the husband sued the manufacturer and collected \$70,000. In another instance, an employee lost his hand on a press because his employer substituted a different safety device from the one recommended by the manufacturer. The employee is suing the manufacturer, not his employer, for \$4 million.

The growing number of product liability lawsuits, along with some jumbo awards, is blowing up a storm that could dwarf the medical malpractice crisis. Sellers (manufacturers, wholesalers and retailers) say they are sitting on a time bomb that could put them out of business. They maintain they can no longer afford soaring product liability insurance rates; and some can't get coverage at any price.

**The consumer pays**—Those sellers who are surviving the financial

crunch are beefing up the price tags on their products to cover increased insurance costs. So once again, the consumer gets hit in a vulnerable spot—his pocketbook.

As the number of products on the market increases, the potential for injuries climbs. The National Commission on Product Safety reports that 20 million people are injured annually, 110,000 permanently disabled and 30,000 killed in product-related accidents.

**Insult and injury**—More than ever, people are becoming aware of their legal rights and are quick to seek compensation for injuries. But bringing suit is expensive and time-consuming. Jeffrey O'Connell, University of Illinois law professor and co-author of no-fault auto insurance, is studying the problem. He says it takes from two to four years for settlement, and there is no guarantee that a battered consumer will win his case. Even if he does, often the small amount left after deducting legal costs only adds insult to injury.

Sellers and insurance companies disagree. They claim courts are going overboard with their awards; judgments running into millions of dollars, unheard of a few years ago, are now frequent. They point out examples such as the worker who

was awarded \$1 million for an injury that left one leg 2 inches shorter than the other.

Alfred Haggerty of the Insurance Information Institute told *Everybody's Money* that "...the impending crisis could soon affect every one of your readers. Lawsuits and claims against sellers of products are reaching such volume and magnitude that they are overwhelming the ability of the insurance system to finance them. If present trends continue, they will increasingly affect the cost or availability of products in use every day."

**Panic button**—Sellers are pushing the panic button. At a recent White House Conference on Product Liability, Ralph B. Baldwin, president of Oliver Machinery Company, stated flatly, "Product liability settlements will inevitably put my company, and other manufacturers, out of business."

The Havar Manufacturing Company of St. Paul, a small punch press builder, did go out of business, blaming liability lawsuits and the staggering cost of insurance; the company could only get coverage costing 50 times what it had been paying.

A firm manufacturing printing machinery paid \$15,000 for product liability insurance in 1968; last year the premiums jumped drastically to \$700,000, representing \$1.40 for every \$1,000 of sales.

Manufacturers are riled over the fact that standards of safety for new equipment are applied to equipment manufactured decades ago. James A. Gray of the National Machine Tool Builders' Association told the White House conference how old machinery coming back from the graveyard is haunting manufacturers: "According to our members' records, one out of every seven

lawsuits involves a machine that is over forty years old. And almost half involve machines over twenty years old. Many of them have been sold, resold, junked, resurrected from the junkyard...."


**No defense**—Manufacturers are also bitter because they can be sued even if their products aren't defective, but injuries result when users are careless or ignore instructions. And in many states, courts have ruled that although an employer has not maintained an industrial machine properly, the manufacturer is responsible for workers' injuries.

Wholesalers and distributors also can be held liable for a product "which passed through the warehouse without ever coming out of the original package," according to William C. McCamant of the National Association of Wholesaler-Distributors.

Everyone agrees that people seriously injured by unsafe products should be compensated, but sellers say they are carrying an unfair share of the burden.

O'Connell offers one solution to the problem: "The best possible answer at this time would be for manufacturers to pay people promptly for injuries. This would eliminate spending years and vast amounts of money in litigation. In a no-fault product liability system, everyone would benefit."

A manufacturer of power lawn mowers, Toro, is trying out the no-fault concept. The company states in its warranties that it will pay medical expenses and wage loss to an individual injured while using its products.

**Fair for all**—Only time will tell whether no-fault will guarantee fair treatment for consumer and seller alike, or whether some other compromise needs to be reached. 

NOT ONLY is the price tag of today's house unaffordable for many people, so is the required down payment.

Even with a long-term mortgage, a lot of buyers can't afford 20 or 25 percent down. On an average new house that's \$9,000 to \$11,000 in cash just to get a mortgage.

Some buyers, though, have found a cheaper way to finance a house: ownership without a down payment, or with a minimal one. This is possible with a land contract (also called instalment sales contract, or contract for deed). Rather than financing a mortgage through a lending institution, the buyer makes payments directly to the seller. The seller retains title until the contract is paid, say, in five years. In the meantime, the buyer lives in the house.

When the buyer has paid enough to prove his creditworthiness to a lender, he generally takes out a mortgage. If he's had a flawless payment record, a lender will more

Home buying  
without  
a mortgage.

# Land contracts



than likely approve a mortgage. Sometimes the seller allows the buyer to pay the entire purchase price in instalments, with the deed withheld until full payment is made.

**Increasing popularity**—Land contracts have their origins and widest use in the Midwest. In the past they denoted a poor credit risk, but that's changing. Today land contracts are helping those with good credit records but not enough cash for a down payment. Without such an arrangement, these people couldn't afford a house, not even an older one.

Our high mortgage rates have made land contracts especially attractive today. When houses are difficult to sell, as they often are now, land contracts are a better option than usual—both because of the small down payment needed, if any, and because some sellers agree to interest rates that are lower than those offered by lenders.

The seller has a tax advantage, too. While the contract is being paid off, he defers an immediate capital gain on his property; instead, he reports the income from the sale as he receives it in instalments. At the same time, he receives interest on the money paid him.

Many developers have used this method of financing to sell unimproved lots. Land contracts have also been popular in selling old property that doesn't qualify for a regular mortgage. Some condominiums are being sold by land contract, too, with an agreement that the buyer refinance as soon as interest rates become more favorable.

**Many risks**—Of course, what makes a land contract good for the seller may be risky for the buyer. Both parties custom tailor the contract to meet their needs, but often draw it up with a lot of loose ends.

For some reason, land contracts tend to be informal, with neither party paying much attention to details. This casual attitude has led to abuses of land contracts, with the buyer apt to lose the most.

For example, repossessions are much easier with a land contract than a regular mortgage. There are horror stories of husbands and wives who have paid land contract instalments for years; after the husband dies, the wife can't afford to keep up payments so she defaults. The seller immediately repossesses the property, leaving the wife with nothing. She not only forfeits her right to the title, but loses all the equity she and her husband built up.

Although such tragedies are possible with land contracts, they can be avoided if the contract is carefully written to protect both buyer and seller. State statutes also determine repossession rights; the courts generally base a foreclosure decision on the amount of equity the buyer has put into the property. If it's more than 50 percent, some states favor the buyer by requiring the seller to go through a long and costly foreclosure procedure. Or the courts may decide that since the buyer has equity he can recover it by living in the house until the equity is absorbed. After that, the seller can repossess or sign a new contract with the buyer.

Aside from foreclosure, a seller can evict or sue for damages if a buyer defaults.

**Bad for buyer**—Even though the property or house is legally sold at the time a contract is signed, the buyer doesn't actually own the property; the seller still does. This restricts the buyer. For example, contracts usually provide that no major improvements or physical changes can be made without the seller's consent. Something as mi-

nor as the removal of trees may be seen by the seller as decreasing the value of the property, and thus vetoed by him.

The buyer has responsibilities, though. If he is living in the house, he assumes any loss caused by fire, for example, unless the seller is at fault. A buyer who's using property under a land contract should make sure he has his name added to the seller's insurance policy. Otherwise the company may not cover a loss of the buyer's.

Also, since the buyer doesn't have title, the seller can attach liens to the property, or even sell it if he chooses. The opportunity for sellers to defraud innocent buyers is limitless when it's possible to keep reselling the same property.

**Risks to seller**—A land contract isn't all privilege for the seller, either. His biggest headache is that he's obligated himself to act as a lender and service a loan for several years. If he must foreclose, this will involve time, money and paperwork. The fact that the buyer is usually only good for a small down payment is in itself a risk to the seller.

To compensate for the inconvenience and risk, a seller commonly jacks up the price of his property. A house, for example, that he would normally sell at \$32,000 he sells for \$38,000 on land contract. He feels justified in doing this because he has to wait for his money—something he doesn't have to do with a regular mortgage. Buyers should be aware that they may pay more for property sold under land contract; it's the privilege they pay for receiving a lower rate of interest and a smaller-than-usual down payment.

**Know your contract**—Before a land contract is signed, both buyer and seller must realize the seriousness of their commitment. Buyers, in particular, seem to be lacking in

toward the contract, putting implicit faith in the seller. Both parties should hire an attorney to help them draw up a fair contract. Then both will have a full understanding of what they're signing.

Buyers need to watch for balloon payments, which are typical in land contracts; this calls for payment of a large sum of money at the end of the contract. Although it allows the buyer to pay off the loan sooner than otherwise possible, the obligation shouldn't catch him unaware.

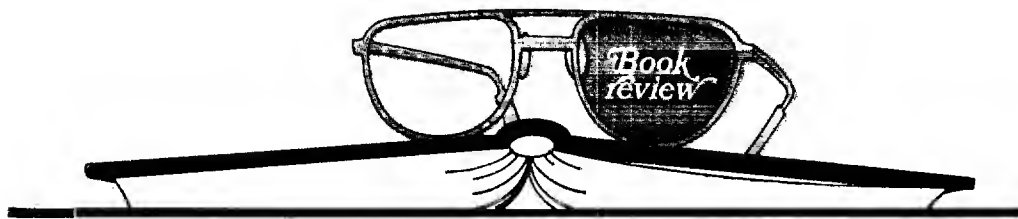
The buyer should also make sure the seller's spouse signs the contract. Her failure to do so may give her a valid excuse not to release her dower interest when it comes time to transfer title.

All land contracts should include a full description of the property; the street number isn't adequate since it may change.

If the seller has a mortgage on the property, have it accurately described in the contract, too. List the amount, due date, method of payment and balance. The contract should give the buyer the right to pay any default on the mortgage by the seller. Without this prerogative, the buyer has no protection against a possible foreclosure. For the same reason, the buyer should have the right to pay taxes, insurance, or other obligations if neglected by the seller. Whatever is paid should be credited to the buyer's account.

The buyer also needs to know about prepayments. Can he make them, and will they provide him a cushion in case he defaults? Another question for him to ask is if there are any encumbrances, judgments, or mechanic's liens on the property.

**Pro and con**—Land contracts offer unique opportunities to buyers and sellers, particularly during times of tight money. But unless both are careful, the advantages can turn into disadvantages.



Arthur E. Rowse, Editor, *Help: The Useful Almanac Consumer News Inc.*,  
813M National Press Bldg., Washington, D.C. 20045,  
1976, 402 pages, \$4.95, paperback

IF Rip Van Winkle were to wake up today, he'd probably be no worse off than most Americans who find that each hour brings a new problem in daily living. As our society becomes more complex, we become increasingly baffled by the maze of laws and regulations that govern what we can do and what we can't do; what we should buy and how to buy.

But now there's help for many of us who are ready to throw up our hands in despair and go to sleep—just as Rip did. *Help: The Useful Almanac* is a treasure-trove of practical information in a handy form. It's not a buying guide; nor does it offer hashed-over tips on how to save money by turning off lights in unused rooms. Instead, it concentrates on what is not well known, what is new, and why it is important.

Besides being a compendium of the latest information, it puts into perspective what is really happening to us and the world around us. Although references are made to some specific U.S. situations, the general information is applicable to Canadian readers, too.

The opening chapter, "The American Condition," is almost worth the price of the book itself. In it, the authors summarize some important individual rights and how they

appear to be changing, plus the latest reports on the environment, public health and social life.

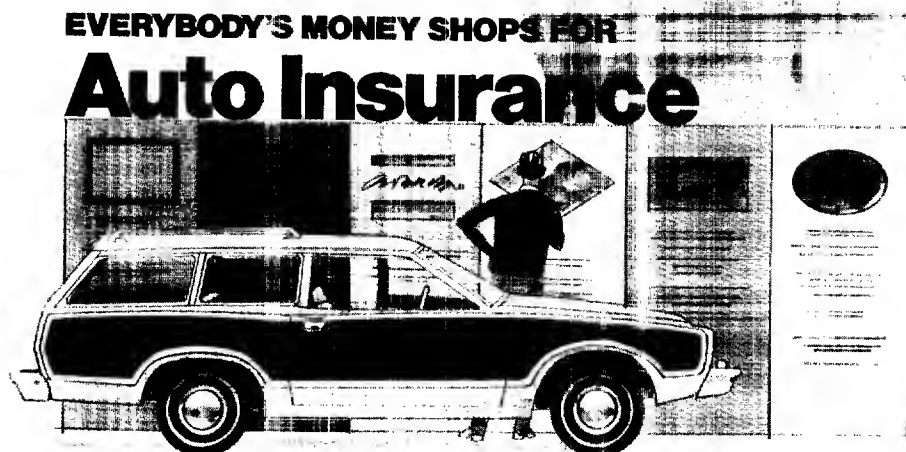
The book provides insight into how modern living affects us. It also gives detailed and practical information on a wide variety of other topics; included are the best and worst airlines, the cheapest insurance companies, cancer-producing chemicals in your diet, the filth limits allowed in food, your rights as a buyer, tenant, patient and taxpayer, plus dozens of other subjects that will help in daily problems.

At the beginning of each chapter is an interesting introduction to the subject material. For example, the insurance chapter starts out: "For most Americans insurance is a mystery. It is also one of the biggest items in the cost of living. Yet until only a few years ago, the idea of shopping around for the best buy in insurance was virtually unknown and all but impossible." You'll want to read on.

As in all almanacs, there is an abundance of tables and charts. But they are easy to understand and tell you at a glance the information you need to make decisions.

We think that for a handy consumer guide, *Help: The Useful Almanac*, is one of the best \$4.95 investments you can make.

sm



WITH auto insurance premiums accelerating in cost, the best way to slow them down is by comparison shopping.

On the average, insurance rates have increased about 35 percent in the last two years. In New York, rates have gone up 55 percent since mid-summer of '75. Annual premiums of \$1,000 are expected soon in some Eastern states.

(Increases generally are blamed on the high price of auto repairs and the rising cost of medical claims.)

Canadians are experiencing only slightly lower rate hikes than U.S. drivers, with recent increases ranging from 12 to 16 percent. Hardest hit are drivers in British Columbia; that province's government-run insurance plan raised premiums by 140 percent at the beginning of the year.

Luckily, the brakes are on for slower increases. But for those who have a choice of where to buy insurance, *Everybody's Money* suggests you compare premiums from several companies before renewing

your current policy; this will help you cope with continuously rising rates.

**EM shops around**—To give you an idea of how much you can save by comparing prices, we did some shopping in Madison, Wisconsin. We used three hypothetical drivers, all with good driving records. One of our drivers was a 28-year-old woman who drives 12 miles a day to work; she has a 1974 Chevrolet Impala.

The coverage we chose for her and our other drivers was \$100,000/\$300,000 liability; \$10,000 property damage; \$1,000 medical payment; \$15,000/\$30,000 uninsured motorist; \$100 deductible for collision; and full comprehensive. *Note:* We are not necessarily recommending this coverage for you and your family; it's used only as a standard for comparing prices.

**Wide variations**—The highest quote we received was \$324 a year; the least expensive, \$157.24 a year, plus a one-time charge of \$16. That's

a range of \$166.76 for the same coverage, or put another way, our woman driver could save that much by comparison shopping in Madison. Similar savings are likely in other areas.

We then checked rates for a married couple 40 and 43 years old with two teenage sons ages 17 and 18. The husband rides the bus to work, but the wife drives the family car 10 miles a day to her job; the boys drive occasionally. The family has a 1975 Ford LTD, with V-8 engine.

Highest quote for this couple was \$506 a year; the lowest, \$377. By comparison shopping, a \$129 savings could be realized.

The final comparison was for a couple ages 55 and 60, who drive a 1974 Impala about 12,000 miles a year. In this case, premiums ranged from \$185.56 (plus one-time charge of \$16) to \$258—a savings of \$72.44. The highest quote we received was \$288 for single limit liability of \$300,000, with \$5,000 medical payment, and \$1,000 accidental death.


**Be alert**—In comparing prices we found that insurance companies often quote prices for a different coverage than is requested. For example, many agents tried to sell us single limit liability, a more costly insurance. Typically coverage is \$300,000, which means that amount is available for all liability claims and is divided as necessary among those injured in an accident. If only one person is injured, he may be able to collect \$300,000 himself. With split liability, the \$100,000 in our example is what any one person could collect; the \$300,000 is the total possible payout for all those injured in the same accident.

Some companies also quoted us premiums for higher levels of medical pay than we wanted; however, the figures mentioned in our article are only for the coverage we asked for.

But just as some companies will try to sell you more insurance than you want, others offer special savings. One of the most popular is the "preferred customer" rate. These policies are generally written for people who have clean driving records. For example, a preferred rate for our single woman driver was \$154 a year, \$29 less than a regular policy.

Other insurance companies offer as much as 25 percent off if students in the family have a B average; some give special rates to honor roll students. Low mileage, as well as personal habits such as no smoking or drinking, can also lower your premium.

If an agent doesn't mention these savings, ask about them.

Although drivers probably can't do much to stop rate hikes, they can save some money by looking around for the best insurance buy. 

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#### More money-saving ideas

Here are some other ways to decelerate your auto insurance costs:

- Pay premiums yearly instead of semi-annually.
- Consider buying all your insurance from one company; this may give you a cost break.
- Raise the deductible amount of your collision insurance; the higher your deductible, the lower your premium. The deductible on collision is typically \$50 or \$100. By jumping it to \$150, you may save as much as 20 percent.
- Better yet, consider dropping collision if your car is old.
- Check the rate difference for a \$25 and \$50 deductible on comprehensive. Or cancel comprehensive on a car with a low-market value; it may not be worth fixing if it's damaged.



### CONSUMERS GET OFFICE AT SEC

The Securities and Exchange Commission has set up an Office of Consumer Affairs to deal with problems of small investors. The new office will be able to help you with complaints and questions involving securities. You can contact the Office of Consumer Affairs at SEC, 500 North Capitol Street, Washington, D.C. 20549.



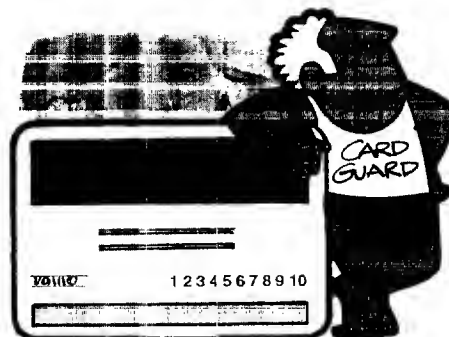
### MAIL-ORDER PICKPOCKETS

Consumers were bilked out of \$395 million through mail-order swindles in 1975, reports the U.S. Postal Service; that's an increase of \$200 million over the 1974 figure. Of the \$395 million, \$8.5 million was lost through misrepresentation of vanity-type products, such as baldness cures, permanent wrinkle removers and fingernail strengtheners.



### PLASTIC CARD PROTECTION

To help protect your credit cards from theft or misuse, Credit Card Service Bureau of America (CCSBA) offers a card registry service. For an annual \$12 fee, you receive the following ten services: instant notification of loss by CCSBA to card issuer, \$100 emergency cash, emergency airline tickets, registration of cards, 24-hour toll-free telephone service, replacement cards, change-of-address service, fraud warning labels, billing assistance and an identification card. For more information write CCSBA, Box 9130, Alexandria, Virginia 22304.



### ABC TRAVEL PLANS

You now can take advantage of discount fares on charter flights without being a member of a club or "affinity" group or without buying hotel accommodation and ground packages. The new "Advance Booking Charter" plan was given the green light by the Civil Aeronautics Board on October 7. The plan liberalizes air charter travel rules and makes low-cost flights avail-

able to everyone. Under the ABC plan, travelers must sign up for a flight 45 days in advance of departure for flights between the U.S. and nine Western European nations, and 30 days in advance for other trips. A minimum seven-day stay is required for European travel, but that restriction doesn't apply to other flights.



### A NAGGING CONSCIENCE

Money may not buy happiness, but apparently it can quiet a nagging conscience. At least that's the belief of thousands who contribute to the government's Conscience Fund, which was set up for those who cheat on their income taxes or steal from the government in other ways.

Among the reasons why people contribute money are reusing an uncanceled stamp, stealing typewriter oil from the government and cheating

on time cards while employed by the government.

The fund, established 163 years ago, now totals \$3 million. Deposits are made to the government's general fund, which Congress then allocates. If your conscience is bothering you, the proper place to send contributions is Commissioner, Bureau of Accounts, Department of the Treasury, Attention: Conscience Fund, Washington, D.C. 20220.



## TAX RETURNS-WHO CAN HELP

If you break out in a cold sweat at the thought of filling out tax returns, take heart. Help is available whether you tackle the returns yourself or pay to have them done. However, remember that you are responsible for mistakes—honest or otherwise—no matter who assists you.

**Do-it-yourself**—Almost half of U.S. taxpayers and 75 percent of Canadian taxpayers fill out their own returns. If you're not among them, you might find that doing it yourself will turn the cold sweat into a warm glow of accomplishment. And according to a 1971 Internal Revenue Service study, it's likely that your returns will be as accurate as if you paid to have them prepared. To make the paperwork easier, the IRS and the Department of National Revenue-Taxation in Canada offer free help.

Under what conditions should you file your own return? Generally, experts say you can do the work if your income is \$30,000 or under and it's derived only from wages, salary, tips, dividends, or pension. If some of your income is from rental pro-

perty or you own a business, you may be wise to pay for professional help.

The U.S. short form, 1040A, is fairly simple. If you use the long form, 1040, refer to the instruction booklet accompanying it; this outlines the basic deductions you can take. If you run into difficulty, an excellent reference is Publication 17, "Your Federal Income Tax," available free at your local IRS office. In Canada, the "Tax Guide," mailed with the forms, lists six easy-to-follow steps.

**IRS help**—Although the government wants you to pay your fair share of taxes, it doesn't want you to overpay. To help ensure accurate returns, the IRS offers three types of assistance:

1. **Telephone advice.** You can call one of the 58 IRS district offices toll-free for advice on tax computation problems as well as for help in tracing lost refund checks. The number is listed under "U. S. Government" in your telephone directory. In Canada, you can call toll-free any one of the 28 district tax offices

for similar help. Telephone numbers are listed on the back of the "Tax Guide."

2. *Help by mail.* It's not generally known, but the IRS will do the figuring for you if you use the short form. It will do the same on the long form if you take the standard deduction and if your adjusted gross income is \$20,000 or less and derived only from wages, salary, tips, dividends, interest, pensions, and annuities. The IRS also will compute the new earned income credit on either form. If you want the government to figure your tax, fill in the basic identification and income information on the form and mail it to the IRS by April 15. Note: If you're filing a joint return be sure both husband and wife sign.

3. *Walk-in help.* The IRS will prepare returns for those who can't because of a physical disability or a difficulty with the English language. It will do the same for others, too, if the workload isn't too heavy. Or you can get a few questions answered by the IRS if you don't mind the lack of privacy, or waiting in line.

**Credit union help**—Find out if your credit union offers help in filling out tax forms. There is a growing number of credit unions offering this free service.

**Local tax service help**—In most communities, people who call themselves "tax consultants" pop up like spring crocuses at tax time. Since there are no national standards, anyone can tack a shingle on a rented store front and go into business. After April, these store-front operators silently slip away only to reappear the following year. Although some are competent, experts say the wisest course is to avoid them unless you are sure of their credentials. The IRS study men-

tioned earlier showed that local tax services made more errors than any other type of tax preparers.

**National tax service help**—For a modest fee you can have your returns prepared for you by a national organization such as H & R Block. Block, the giant of the industry, has thousands of offices in Canada and the U.S. that stay open nights and weekends during the tax season. Block will pay for any additional taxes owed due to its errors in figuring, but like other tax preparers will not pay additional taxes assessed as a result of withheld information or because of misinterpretation of the laws. Block also advertises it will accompany a client if he is audited. (Note, however, that all tax preparers are required to appear as witnesses if requested by the IRS). Block's fees start at \$6 for the short form, and increase for more complicated returns. The average fee paid last year to national tax services was less than \$20.

During the filing season tax services hire part-time workers including housewives, construction workers and students. Although most employees go through a 60-to-80 hour training program, there is a high error rate. The 1971 IRS survey showed that on low-income returns with itemized deductions the error rate was 82 percent—higher than on returns prepared with help from the IRS or trained accountants.

Experts advise using a national tax service only if your financial life is relatively simple. You should guard against errors by checking the qualifications of the preparer; insist on one who has taken the company training program and has had two or three years experience.

**Help from enrolled agents**—There are some 16,500 tax preparers in the U.S. who have passed a stiff

Treasury Department examination covering tax accounting for individuals, partnerships, corporations, trusts, and estates. In addition to preparing your returns, enrolled agents can negotiate settlements with the IRS and take your case through the appeal levels of the IRS if necessary. Since enrolled agents are individual practitioners, not IRS employees, they set their own fees. The government prohibits advertising by enrolled agents, but you can locate the names and addresses of several by writing to the Enrollment Coordinator at the nearest IRS District office.

**Public accountant help**—There are two types of accountants: public accountants and certified public accountants (CPAs). Public accountants do not undergo the training, education and tough 2-1/2 day exam that are required of CPAs. (In Canada the equivalent to a CPA is a CA, or chartered accountant.) Only 17 states have licensing requirements for public accountants; in other states, anyone can set up business.

Public accountants charge more than national tax services, but usually less than CPAs; last year the average fee was about \$40. Their clients, for the most part, are small businesses and people with moderate incomes whose tax returns aren't overly complicated.

Before you take your tax business to a public accountant, check on his education and experience. If he is accredited by the National Society of Public Accountants or is an enrolled agent, chances are he is dependable.

**Help from CPAs**—CPAs make fewer errors than other tax preparers, but the price tag for their services is high. Their fees range from about \$150 to \$600 depending on the complexity of the return. You

probably should seek help from a CPA if your income is more than \$30,000 and includes income from investment property, tax-exempt securities, royalties, or a trust fund. Also, you could benefit from a CPA's services if you bought or sold a house, gave gifts worth \$3,000 or more, if you used your house or car partly for business, or are supporting someone other than your immediate family.

If you don't know a CPA you usually can find one through the state society of certified public accountants, or by asking an attorney, your credit union, or banker for suggestions.

**Help from attorneys**—Many tax attorneys confine their practices to corporations rather than individuals, but some will prepare returns, provide advice, and review forms prepared by CPAs. If you are in a high-income bracket and foresee complex legal problems, a tax attorney may be a good choice. Attorney fees usually range from \$25 to \$75 an hour.

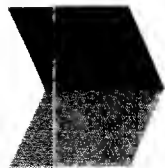
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#### TAX TIPS

- ☐ Never sign a blank tax return at the request of a tax preparer.
- ☐ Don't deal with a preparer who guarantees you a refund.
- ☐ Don't deal with a preparer who asks you to authorize having the refund check go to him, not you.
- ☐ Don't deal with a preparer who suggests fraudulent practices such as underreporting your income.
- ☐ Make sure the tax preparer has signed the forms; he is required to do so by law.
- ☐ If you have difficulty preparing your taxes, contact the IRS.
- ☐ Keep copies of your returns for at least three years.

to help stretch  
your paycheck



Useful publications

**The American Economic System and Your Part In It**, U.S. Department of Commerce, 1976, free. Emphasizes that your economic decisions, such as buying a car or borrowing money, are just as important as those made by business and government. Available from Consumer Information Center, Pueblo, Colorado 81009.

**How To Collect Unemployment Benefits**, Raymond Avrutis, 1976, \$1.25, plus 35 cents postage and handling, Schocken Books, 200 Madison Avenue, New York 10016. Complete information for all fifty states and how and when to collect benefits. Available from the publisher.

**Now Is The Time! To Prepare A Guide For Your Survivor**, Benjamin Katz, 1976, \$2.25, Overlook Company, 910 North Overlook Drive, Alexandria, Virginia 22305. Designed to help you prepare a guide for your survivor; includes funeral plans, finances, legal matters, and more. Available from the publisher.

**Consumer Action's Auto Insurance Guide**, David Davreux and John Moore, 1976, \$3.50. Compares more than 2,000 premiums for liability and medical payment coverages, simplifies auto insurance terms and presents a strong case for a good no-fault system. Available from Consumer Action, 26 Seventh Street, San Francisco 94103.

**How To Choose The Best Mobile Home Site**, James Hughes, 1975, \$1.95, Hughes Publishing Company, 2031 East Glenn Street, Tuscon, Arizona 85719. Contains tips, suggestions, checklists, sources and worksheets to help you decide on the location that will benefit you most. Available from the publisher.

**Mail Order—The Riskiest Game In Town**, Richard Williams, 1976, \$1. Warns of the many pitfalls when buying through the mail. Available from Conwill Services, Box 12297, Kansas City, Missouri 64152.

**Merchandising Your Job Talents**, U.S. Department of Labor, 1976, \$1.10. Includes advice on what to do before you actually look for a job, how to put together a resume, and how to conduct yourself during a personal interview. Available from Consumer Information Center, Pueblo, Colorado 81009.

**Slicing Your Money Pie**, Vance Rucker, 1976, \$6.45. Tells how to control your family's finances by setting up a working budget. Available from Rucker Enterprises, P.O. Box 19107, Greensboro, North Carolina 27410.

**After He's Gone: A Practical Guide For Widows by a Widow**, Janet Owen, 1976, 20 cents. Combines practical and sensible suggestions to combat the struggle of adjustment to widowhood. Available from Patom Marketing Services, 2601 Bush Quarter, Virginia Beach, Virginia 23462.

# Taking the wraps off overpackaging

WHAT this country needs, says Senator John A. Durkin of New Hampshire, is more candy bar and less wrapping. The Senator used the candy bar as an example of overpackaging when he introduced to Congress the Packaging Conservation Act.

The bill, developed with the help of a new consumer group called UNWRAP (United We Resist Additional Packaging), is stirring controversy among packaging interests.

UNWRAP, organized by three law students in September, 1975, contends that consumers are suffering from overpackaging of goods. The group prepared a study on the subject and is pushing for packaging legislation.

**What's wrong**—Besides receiving a smaller-than-expected candy bar, UNWRAP says overpackaging causes several fundamental problems. These include adding to solid waste disposal, increasing product costs, wasting natural resources, and deceiving the consumer.

To back its claims, UNWRAP estimates that overpackaging costs cities about \$54 million a year in solid waste disposal. Another study points out that for some beauty aids 29 cents of every dollar goes for packaging. Other statistics show that almost one half of all paper and three fourths of all glass produced is used for packaging. Consumer

says, citing a Federal Trade Commission (FTC) consent order issued in 1975. The order curtailed the deceptively oversized containers used by one toy manufacturer to package children's handicrafts.

The Packaging Conservation Act, UNWRAP says, can work toward solving these problems. The bill would amend the Fair Packaging and Labeling Act, allowing the FTC and Food and Drug Administration (FDA) to issue regulations aimed at eliminating overpackaging. Although calling for reform, the rules would take into consideration the four basic packaging purposes: sanitization, standardization, product protection, and prevention of theft.

Concern for these factors, UNWRAP says, will "assure the consumer that packaging techniques that provide convenience and safeguard health will remain after overpackaging is trimmed."

The bill is not intended to force a return to distribution by bin or barrels, UNWRAP says, but rather to "strike a balance" between necessary and unnecessary packaging. FTC or FDA would enforce the law.

**Complex subject**—Packaging officials say that overpackaging exists in the mind of the beholder.

Packaging is a complex and fast-developing industry, says Frank McManus of the Can Manufacturers Institute. If you study packaging



most packaging today is necessary to protect the product, guard against theft, and meet government regulations. Viewing packaging from only a sociological standpoint—its impact on the environment—gives you only one side of a complex, technical business, says Howard Marder, senior editor, *Modern Packaging* magazine.

Marder also says consumers must remember that packagers are responsible for getting a product to market in as perfect a condition as possible. If they fail, the economic consequences soon are felt.

What constitutes overpackaging is debatable, too, Marder says. Is the name brand bottle of shampoo in the fancy box overpackaged when compared to the house brand with no wrappings? Perhaps not, he says, if you consider that what's needed to protect the unpackaged bottle in transit may be more costly than the prepackaged bottle.

**Garbage**—Packagers recognize waste disposal as a problem, but one

recycling efforts for cans, bottles and paper, and the wider use of returnables. But packagers have no control over consumer demand for more products and their failure to use recycling effectively.

In a related area, packagers are concerned with the dwindling supply of natural resources. Packagers say they are always looking for ways to produce a better, lighter product—without always using natural products. An example is the beverage can. It's still strong, but contains far less metal than it did several years ago.

**Law unnecessary**—As for the proposed bill, Marder says it “poses one of the greatest threats to packaging in recent years.” He feels overpackaging is taken into account by any cost-conscious packager before the product hits the market. “Besides,” he says, “it's just plain costly business practice to overdesign a package.”

Peter Merkle of the National Flexible Packaging Association agrees that it's hard to legislate against overpackaging. Since it adds to cost, he favors allowing competition to eliminate overpackaged products.

People in the industry say any action on the bill will come in the next session of Congress. If the bill isn't reintroduced at that time, it probably still will set the stage for legislation in the future, says McManus.

UNWRAP feels fairly good about the bill's future. It has received support from consumer groups, the public, and the press. The group says the bill's sponsors will reintroduce the measure when Congress reconvenes in January, 1977.

Is overpackaging a problem? UNWRAP says yes; industry says no. The way things are moving, it may be awhile before it's determined whether our candy bars are over-



# IT'S TIME TO T

THE METRIC system is really nothing new. It's been with us since Congress made it legal for use in 1866. However, not until a voluntary metric conversion act was passed in 1975 did a policy exist to guide the U.S. toward total metrication.

The U.S. Metric Board, which will oversee the changeover, hopes its plans will make conversion "the biggest nonevent in history—despite consumers' fears." The board is confident it can meet this challenge in view of the recent conversion successes in Canada, Great Britain, New Zealand and Australia.

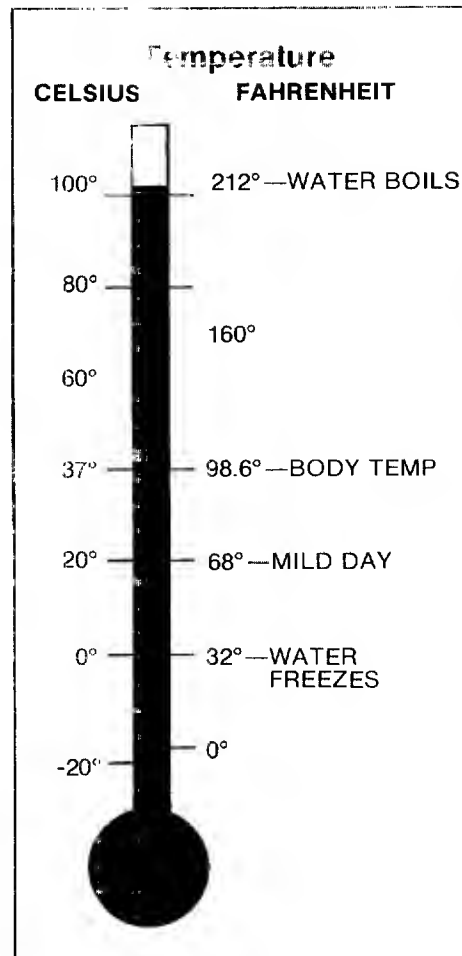
**Sensible, easy**—The change to metrics is needed to put the U.S. on the same simple, sensible method of measurement the rest of the world has been using for years.

The ease of metrics stems from standardization. Each physical quantity, such as length, weight or volume, has its own unit of measure (meter, gram and liter). Metrics avoid the confusion of the English or customary system, where an ounce can represent either liquid volume or weight.

Also, the metric system is based on a decimal relationship of 10 that helps eliminate confusion. Our customary units have no such relationship (an inch being one 36th of a yard, etc.) and require the use of common fractions for computations.

Although metrics will provide a rational system, many familiar things won't change. Our money system, for instance, will stay the same; it's already metric, since it's based on factors of 10. Timekeeping, and the calendar won't change.

Sports fans needn't worry either, be-



dimensions of football and baseball fields will remain in yards and feet.

**Changing habits**—Although experts say the changeover will take from 10 to 12 years, many everyday items are already in metrics and more are being converted all the time. Radio and television frequen-

# THINK METRIC

## Helpful Comparisons\*

CUSTOMARY			METRIC
1	inch	=	2.5 centimeters (cm)
1	foot	=	30 centimeters
1.1	yard	=	1 meter (m)
1	mile	=	1.6 kilometers (km)
50	miles per hour	=	80 kilometers per hour
1	ounce	=	28 grams (g)
2.2	pounds	=	1 kilogram (kg)
2	short tons	=	1.8 metric tonnes (t)
1	teaspoon	=	5 milliliters (ml)
1	tablespoon	=	15 milliliters
1	fluid ounce	=	30 milliliters
1	cup	=	250 milliliters
1	pint	=	500 milliliters
1.06	quarts	=	1 liter (l)
1.06	gallons	=	4 liters
40	cubic feet	=	1.2 cubic meters (m <sup>3</sup> )
2	cubic yards	=	1.5 cubic meters
1	square inch	=	6.5 square centimeters (cm <sup>2</sup> )
20	square feet	=	1.8 square meters (m <sup>2</sup> )
5	square yards	=	4 square meters
1	square mile	=	2.6 square kilometers (km <sup>2</sup> )
5	acres	=	2 hectares (ha)

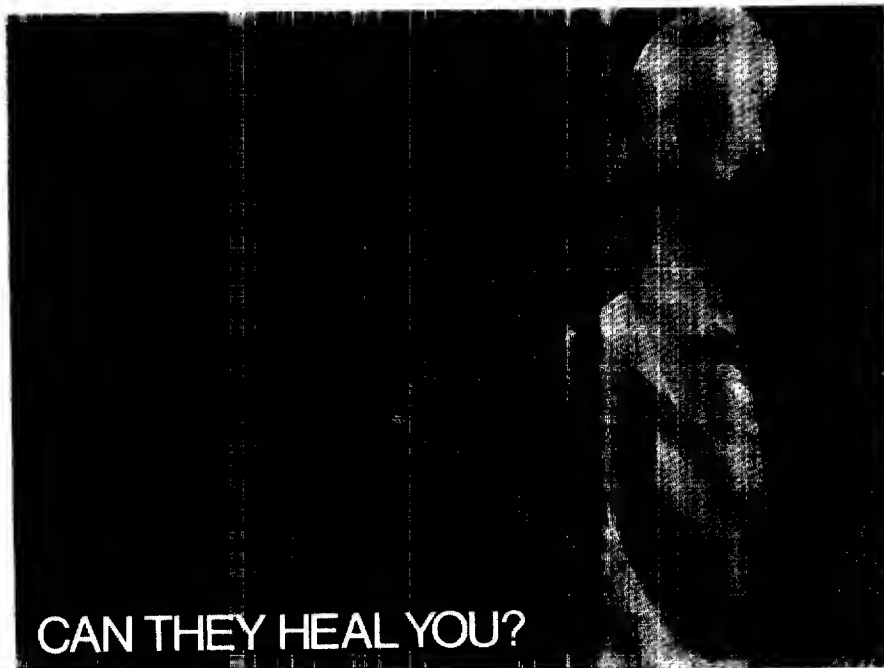
\* comparisons are approximate

cies, for example, are in metric—as are some cigaret lengths, film, engine capacity, canned goods and soda pop. Many of these products, especially food, are labeled with both metric and customary units. This practice will aid conversion efforts by exposing consumers to metric figures and providing them a

handy way of quantitatively comparing the two systems.

Thinking entirely in metrics should be your ultimate goal. But to help you adapt, *Everybody's Money* offers some handy comparisons. With a little effort, and an open mind, metrics can become as familiar as the ABCs.

# CHIROPRACTIC



ARE chiropractors healers or quacks? Or does the truth lie somewhere in between?

Since the first chiropractor began practice some 80 years ago, critics in science and medicine have called his profession dangerous. Yet five million people are treated annually by doctors of chiropractic in the U.S. and Canada. All states and nine Canadian provinces regulate and license chiropractors.

**The cornerstone** — Chiropractic—the laying on of hands—began when Daniel David Palmer, an Iowa grocer, claimed he cured a janitor's deafness by manipulating his spine. Palmer's theory was that a misaligned spine is responsible for

interference of the spinal nerves which in turn causes or aggravates disease. That theory, still the cornerstone of chiropractic, is where scientists and physicians part company with chiropractors.

Typical of detractors is Frank Chappell a spokesman for the American Medical Association. He told *Everybody's Money*: "Chiropractic is an unscientific cult based on the false premise that all physical ills are caused by pinched nerves. Not true. Chiropractic ignores the existence of germs, viruses and other factors that contribute to disease or ailments."

The American Chiropractic Association (ACA), which represents the majority of licensed practitioners,

# TORS

dismisses such charges as "misdirected criticism from political medicine."

All chiropractors regard themselves as primary care physicians or family doctors; many also claim they can diagnose and treat all diseases. Critics say chiropractors aren't qualified to treat diseases, such as cancer, liver and kidney problems, or other complicated ailments, because the law prohibits chiropractors from prescribing drugs or performing surgery.

According to chiropractors, prescription drugs and major surgery often do more harm than good. The dangers involved in their use, says the ACA, represent "the overwhelming concern in health science today."

**Too late?**—When appropriate, chiropractors will refer patients to other physicians. But, says Chappell, "One of the basic hazards of chiropractic is that physicians often see patients much too late to cure them."

It's generally agreed that chiropractors are effective in treating some muscle and joint problems, and tension headaches. Recent studies reveal they achieve satisfactory results with 90 percent of back and neck complaints, but so do doctors of medicine. However, detractors attribute the success of chiropractic treatment to the self-limiting nature of some diseases, and the psychological benefit of receiving any professional health care.

"What chiropractors have going for them is the fact that most diseases will cure themselves. The old adage is true that if you treat a cold it will last two weeks, otherwise

it will last a fortnight. This makes it possible for any healer to claim good results. The laying on of hands always has been a comforting part of any medical treatment. The doctor reassures you while the body takes care of itself," says Chappell.

**Click and pop**—Not all chiropractors see this as criticism of their art. Many agree that the laying on of hands, the relaxing of tense muscles, the clicking or popping sound occurring in spinal adjustment may psychologically help the patient.

A point of contention in the opposing camps is the education and training required of chiropractors. As late as 1945 it was possible to get a mail-order degree from a Chicago college for \$127.50, and until this decade students right out of high school were often admitted to chiropractic colleges. Now a minimum of two years of college and four years of professional study is required for graduation. By comparison, the physician must have four years of college, four years of medical school, and usually three or more years of hospital residency.

What bothers medicine and science even more than the limited amount of classroom education is that chiropractic students receive little or no inpatient hospital training. Because of the lack of chiropractic hospitals, chiropractors often are called on to treat diseases they've never observed except in the pages of a textbook.

**Claims and cures**—Critics aim their harshest attacks at chiropractors who claim they can cure most, if not all, diseases. Some practitioners, with encouragement from several chiropractic colleges and the ACA, tout spinal manipulation as a cure for such ailments as bedwetting, high blood pressure, kidney disorders, tuberculosis, eye trouble, and acne.

(con't.)

These claims have bedeviled the profession for years and are causing dissension among chiropractors who confine their practice to bone and joint problems. One chiropractor expressed his anger over unfounded claims in a letter to the ACA: "Are you telling the people that we can treat such pathologies? If you are, then we deserve the title of quack and cultist."

A growing number of chiropractors and educators agree with that point of view. Among them is Friedrich Riekeman, vice-president of Sherman College of Chiropractic in Spartanburg, South Carolina. He told *Everybody's Money* that his college refutes the theory held by some chiropractors that disease is caused by a misaligned spine; instead, Riekeman and other chiropractors believe in disease prevention.

"A patient should go to an M.D. for diagnosis and treatment if he has a disease. What we're concerned with is getting the body to function properly by making sure there is no spinal interference with the nervous system. A properly functioning body will resist disease by itself," Riekeman says.

#### Charge and countercharge--

The risk in chiropractic, according to many physicians, goes deeper than the difference in the two schools of thought. Medical scientists cite potential danger when patients delay seeking medical attention in time; back pain can be a symptom of cancer or caused by disease of the lungs, kidneys, liver, bladder, intestines or other organs. Furthermore, they say, manipulation can cause sprains, fractures and even paraplegia and stroke.

Medical doctors also strongly object to the "indiscriminate" use of x-rays. They charge that x-raying a patient from skull to thigh, a method used extensively by chiropractors

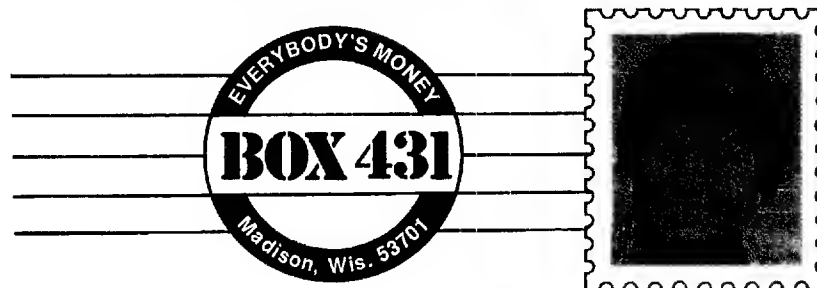
can damage eyes, bone marrow, reproductive organs and thyroid glands.

Chiropractors say those risks are minimal. To bolster the argument that chiropractic is safe, the ACA points out that "malpractice insurance is a mere fraction of what is necessary in medical and surgical practice." A spokesman for the Insurance Information Institute, Warren Levy, says, "It's true that chiropractors pay less for malpractice coverage. Although costs vary state by state, chiropractors pay an average of a third less for premiums than doctors of medicine who do not perform surgery. In one state they pay 1,000 percent less than physicians."

**A thriving art**—Whether low insurance rates prove that chiropractic healing is safe remains a debatable question. But the art undoubtedly will continue to thrive as long as patients experience relief from pain at the hands of their chiropractors. **em**

Although most chiropractors comply with the accepted ethics of the profession, some do not. The American Chiropractic Association offers these tips if you visit a chiropractor:

- Avoid a practitioner who guarantees he can cure you.
- Avoid a chiropractor who advertises free x-rays; the ACA recognizes the hazards of over-radiation.
- Ask whether the chiropractor refers patients to other health professionals; he should be suspect if he disparages other medical providers.
- Refer complaints against a chiropractor to the State Board of Examiners (or Board of Healing Arts as the regulation and licensing agency is called in some states).



#### SLOW DELIVERY

First, bravo in celebration of your 15th birthday. It is a fine, well-edited magazine and you can be proud.

Now for a question: Can you explain why I received my Summer '76 copy on October 4, for instance, too late for me to enter that truly provocative contest on page 13?

Peter F. Szluk  
Phoenix, Arizona

*(Almost all our magazines are subscribed to by credit unions and distributed by them to members. If any of you readers have been receiving copies late, we suggest you talk to your credit union about possibly having them mailed earlier. Editor's note.)*

#### CRASH PARTS CONTROVERSY

I read with interest your article on crash parts (Autumn '76). General Motors says its present distribution setup for crash parts is faster and lower priced than any other system. I don't know about the cost, but I do know about GM's speed. If GM is making crash parts faster than the others, I'm sure glad we don't have any other make of car. Our Chevy Suburban has been in a body shop for three months and so far we've gotten one part that is needed. If this is speed, I'd hate to wait if GM were slow.

Mrs. J.W. Attkisson  
Elyria, Ohio

I just read your article on the high price of repair work after a wreck. I think you left out the most important people responsible for the high prices, namely the carriers themselves, the adjusters, courts, and state insurance commissioners who go along with the insurance

companies every time they yell "poor mouth." If these companies and their adjusters would shop around for cheaper prices they could find them, and eventually force the dealers and their sky-high prices down.

For example, many of the parts you used to buy at an independent garage are now dealer items. A Ford master cylinder costs \$40 at a dealer; I bought one for \$29 at an independent. A grille costs from \$95 to \$150 at a dealer; some places sell them for \$30 to \$50 cheaper.

You can see that the fault is mainly with the insurance companies who refuse to fight exorbitant costs and pass the cost on to us.

Robert L. Menn, Sr.  
Hialeah, Florida

I read with much interest the article on cost of auto repairs. I'm very happy to see an article of this kind appearing in your important publication. Speaking for CUMIS, we have no desire to arbitrarily increase the price of automobile insurance, but under the prevailing circumstances there is no alternative. The material which you presented will help create better understanding among credit union members.

George V. Whitford  
Executive Vice President  
CUMIS Insurance Society  
Madison, Wisconsin

#### THE WRONG IMAGE

Aw...c'on...don't you think it's about time to come into the 20th Century and lay to rest these hoary stereotypes of farmers as straw chewing rubes?

This wasn't the only flaw in what could have been an extremely useful story. Using Hightower as an authority

on agriculture is akin to using Al Capone as an authority on law and order.

Herb Karner  
Farm Editor  
Tulsa Daily World  
Tulsa, Oklahoma

The article "Down on the Farm" (Autumn '76) mentions Jim Hightower's book *Eat Your Heart Out* as selling for \$8.95. It's now available in paperback from Vintage Press for \$1.95.

Robert Sieferman  
Freeport, Illinois

(Mr. Sieferman is correct; if you can't find a copy in a local bookstore, you can order from Random House, Westminster, Maryland 21157; attention Order Dept. Include 50 cents for postage and handling. Editor's note.)

The plight of the family farmer is a disgrace to America. The United States is the richest agricultural country in the world, yet we have turned our fertile farmland into cities, subsidized productive land to keep it idle, filled the pockets of land speculators and tax dodgers, and driven the farmers off the farm.

We have a renewable resource which can supply food, clothing, housing, energy, and a balance of trade to a needy America. It's time to stop the current trend and put the farmer back down on the farm.

T.R. Fritsch  
Lombard, Illinois

#### FIRST AID

Your article on first aid in the Autumn issue was a good idea, but the foreign particle section seems out-of-date. The Heimlich maneuver of making a fist and using the other hand to force food into the area below the rib cage is fairly well-known and should be made public.

Sharon H. Pettit  
Newport News, Virginia

(The information for our chart is from the American Red Cross. At the time we wrote it, the Red Cross was studying various procedures for dislodging foreign objects in the air passage. It now

recommends the abdominal thrust procedure, which differs somewhat from the Heimlich maneuver. You may contact your local Red Cross for a brochure explaining the method. Editor's note.)

#### EYE CARE

I feel that equal time must be permitted when you print a letter such as that from Jack Blake in the Autumn issue.

An optometrist is qualified to give first-rate eye exams and verify the presence or absence of disease in the eye (generally at a fee significantly less than that of an ophthalmologist). Also, glasses are not made by an oculist (another name for an eye doctor). An optician makes glasses and glasses are fitted by the optometrist, ophthalmologist or by the dispensing optician. The opticians, contrary to Mr. Blake's statement, are not generally considered professional any more than a licensed auto mechanic.

Eugene Baron, O.D.  
Oak Park, Michigan

#### TRAVELING PHOTOGRAPHERS

I am a professional photographer with 25 years experience, and I read your article "traveling photographers" with a bit more than mild interest.

I cannot agree with Mr. Anton's statement "free and competitive climate." The small local studio simply can't compete with traveling photographers. Are you aware that the traveling photographer pays no local taxes, buys no local licenses, and has no local overhead?

Every time the local citizenry visits the traveling photographer the local studio must go up on his prices to meet his overhead. The result is higher prices, and the money goes out of the town. Civic-minded citizens should keep in mind that the local studio is owned by one of their own; he pays the same taxes, has kids in the same school, he cares about you, he will be here tomorrow to back up and correct what he sells today. He is part of the community; compare that with the traveling photographer.

A bargain, but is the price worth it?

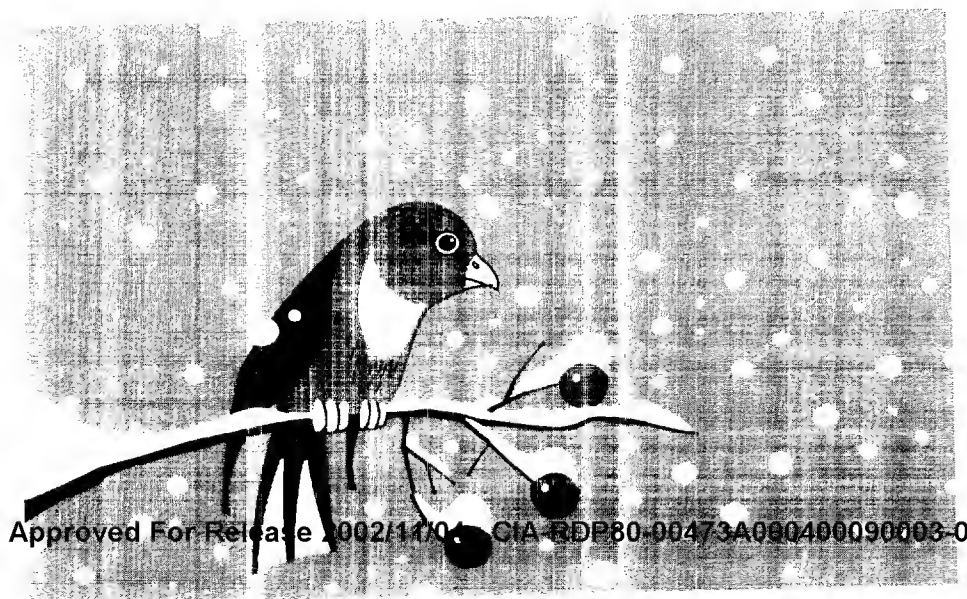
Donald C. Wilkey  
Dawson Springs, Kentucky

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